

111TH CONGRESS  
1ST SESSION

# H. R. 3583

To provide for a subsidy to sellers and buyers of fish directly delivered to American Samoa from vessels with United States fisheries endorsements that manufacture for the United States.

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## IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 16, 2009

Mr. FALEOMAVAEGA introduced the following bill; which was referred to the Committee on Natural Resources, and in addition to the Committee on Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

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## A BILL

To provide for a subsidy to sellers and buyers of fish directly delivered to American Samoa from vessels with United States fisheries endorsements that manufacture for the United States.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*

3       **SECTION 1. SHORT TITLE.**

4       This Act may be cited as the “American Samoa Pro-  
5       tection of Industry, Resources, and Employment Act” or  
6       “ASPIRE Act”.

1 **SEC. 2. FINDINGS AND POLICY.**

2 (a) FINDINGS.—Congress finds the following:

3 (1) The tuna processing and manufacturing in-  
4 dustry is by far the largest private-sector base of  
5 employment in American Samoa and serves as the  
6 critical foundation for the overall economy of Amer-  
7 ican Samoa. The unique local economy created by  
8 the operation of tuna canneries is largely irreplace-  
9 able as an employment base. The canneries currently  
10 provide 80 percent of private sector employment in  
11 American Samoa, and generate more than  
12 \$80,000,000 (30 percent) of the territory's income  
13 from labor according to a recent Department of  
14 Labor report. Most other private sector jobs in  
15 American Samoa provide goods or services to the  
16 tuna processors. Moreover, the economic growth of  
17 many other private sector employers in the consumer  
18 retail and service sectors is tied either directly or in-  
19 directly to the tuna industry.

20 (2) Over the past 30 years, direct employment  
21 growth in the fish processing industry has accounted  
22 for more than one-third of total job growth in Amer-  
23 ican Samoa. Moreover, a recent study reflects that  
24 every job added to or subtracted from the economy  
25 by a change in employment in the tuna processing  
26 industry adds or subtracts another 0.47 jobs from

1 other sectors of American Samoa's economy, the so-  
2 called "multiplier effect".

3 (3) An important component of the tuna proc-  
4 essing industry's multiplier effect is derived from di-  
5 rect delivery of tuna by fishing vessels to American  
6 Samoa for processing, which results in revenue for  
7 the territory from visitor expenditures on vessel re-  
8 fueling, repair, and other shipyard services, steve-  
9 dores, fishing net repairs, lodging, dining, and a  
10 host of other services. Unfortunately, while having  
11 provided limited economic benefit through indirect  
12 deliveries which ensured a constant supply of fish to  
13 the canneries, the large majority of the eligible fleet  
14 which fishes under the auspices of a United States  
15 flag and United States license no longer provides di-  
16 rect delivery or economic benefit to American  
17 Samoa, where many of them are home-ported, choos-  
18 ing rather to deliver their catch to massive carrier  
19 ships for purposes of transshipping their fish to be  
20 cleaned in low-wage labor rate countries.

21 (4) Due to low-wage labor rates of 0.60 cents  
22 and less per hour for tuna cannery workers in com-  
23 peting countries, increased transportation and en-  
24 ergy costs, decreased volumes of direct-delivered fish  
25 to American Samoa, recent Federal minimum wage

1 policy changes that have resulted in mandatory an-  
2 nual wage increases, heavy foreign competition for  
3 United States market share in the tuna industry,  
4 and a number of other issues, one of American Sa-  
5 moa's tuna canneries has announced that it will shut  
6 down by September 2009. This closure will result in  
7 job loss for nearly 40 percent of the territory's pri-  
8 vate sector employees, as well as increased energy,  
9 shipping, and food costs for the remaining busi-  
10 nesses and public entities because the canneries help  
11 subsidize the costs of these industries.

12 (5) Closure of the remaining tuna processing  
13 plant would result in job loss for another 40 percent  
14 of private sector employees, and a recent study of  
15 the territory's economy concluded that closure of the  
16 remaining tuna processing plant would result in  
17 total job loss of 44 percent of all employment in the  
18 territory, leaving the American Samoan Government,  
19 which receives significant operational and capital  
20 grants from the Federal Government, as the terri-  
21 tory's only significant employer.

22 (6) Due to present dependence on the canneries  
23 and Federal aid, if both canneries leave American  
24 Samoa, only direct Federal assistance will remain to  
25 bridge the gap left by the loss of approximately

1       \$80,000,000 in private sector income from the tuna  
2       canneries.

3           (7) The Department of the Interior has pre-  
4       viously reported to Congress that in the absence of  
5       the revenue derived from the canneries, American  
6       Samoa, with its population of nearly 70,000, will be  
7       “almost wholly dependent” on direct assistance from  
8       the Federal Government, warning that the American  
9       Samoaan economy will be “devastated”;

10          (8) Having served, starting at the turn of the  
11       last century, as an important refueling station for  
12       American ships in the South Pacific, American  
13       Samoa has long held a position of strategic and his-  
14       toric importance to the United States, and over the  
15       years, American Samoans have sacrificed to help  
16       keep our country free, with many serving in the  
17       United States military.

18          (9) In March 2006, it was reported to Congress  
19       that the sacrifice of American Samoa in the Iraq  
20       war was disproportionate to the territory’s small  
21       size, as residents of the territory were 15 times more  
22       likely to be killed in action in Iraq than residents of  
23       the United States as a whole.

24          (b) POLICY.—The Federal Government should pro-  
25       vide employment stabilization and economic development

1 assistance to the people of American Samoa, including in-  
 2 centives for the continued operation and development of  
 3 American Samoa's tuna processing industry, as the terri-  
 4 tory now faces severe economic conditions.

5 **SEC. 3. EXPANSION OF GENERAL TECHNICAL ASSISTANCE**  
 6 **TO AMERICAN SAMOA.**

7 Section 601 of the Act of December 24, 1980 (48  
 8 U.S.C. 1469d(d)) is amended by inserting at the end the  
 9 following:

10 “(e) EMPLOYMENT SECURITY AND ECONOMIC DE-  
 11 VELOPMENT ASSISTANCE FOR AMERICAN SAMOA.—

12 “(1) TECHNICAL ASSISTANCE GRANTS.—

13 “(A) The Secretary of the Interior is fur-  
 14 ther authorized to provide technical assistance  
 15 to the territory of American Samoa in the form  
 16 of grants to sellers and buyers of whole tuna di-  
 17 rectly delivered to tuna processors located with-  
 18 in American Samoa for processing in American  
 19 Samoa, in the following amounts:

20 “(i) For each processor of whole tuna  
 21 directly delivered to American Samoa for  
 22 processing, as ‘processing’ is defined in  
 23 paragraph (6)(B): \$200 per metric ton,  
 24 provided that this amount shall be ad-  
 25 justed each May 25 by a ratio equal to the

1 ratio of any increase in the federal min-  
2 imum wage for American Samoa as com-  
3 pared to the Federal minimum wage in  
4 American Samoa the prior year.

5 “(ii) For each fishing vessel with a  
6 United States fishery endorsement (issued  
7 pursuant to section 12113 of title 46,  
8 United States Code) and which is other-  
9 wise authorized to fish for tuna in areas  
10 under the authority of the Western Pacific  
11 Regional Fishery Management Council or  
12 areas covered by the United States South  
13 Pacific Tuna Treaty, or which has an  
14 American Samoa Longline Limited Access  
15 Permit (issued pursuant to the Fishery  
16 Management Plan for Pelagic Fisheries of  
17 the Western Pacific Region established  
18 under the authority of section 1801 et seq.  
19 of title 18, United States Code): \$200 per  
20 metric ton.

21 “(iii) For each fishing vessel that does  
22 not meet the requirements of clause (ii)  
23 but is United States-documented pursuant  
24 to section 12103 of title 46, United States  
25 Code, and is otherwise authorized to fish

1           for tuna in areas under the authority of  
2           the Western Pacific Regional Fishery Man-  
3           agement Council or areas covered by the  
4           United States South Pacific Tuna Treaty:  
5           \$100 per metric ton.

6           “(B) A recipient of a grant under this sub-  
7           section may be eligible either as a seller of di-  
8           rect-delivered whole tuna or as a processor buy-  
9           ing direct-delivered whole tuna, but not both.

10          “(C) Grants provided under this subsection  
11          shall not be considered as gross income of the  
12          recipient for purposes of the Internal Revenue  
13          Code of 1986.

14          “(D) Grant amounts provided under this  
15          subsection shall not be subject to reduction by  
16          the Secretary for any operation or maintenance  
17          set aside.

18          “(2) COLLECTION OF ANNUAL AND TRANSFER  
19          FEES FOR THE BENEFIT OF ECONOMIC DEVELOP-  
20          MENT IN AMERICAN SAMOA.—

21          “(A) All vessels meeting the requirements  
22          of clauses (ii) and (iii) of paragraph (1)(A)  
23          shall be subject to a \$250,000 annual fee due  
24          and payable to the United States Treasury on  
25          January 31 each year for the immediately prior



1           calendar year. This annual fee shall be waived  
2           for any calendar year for which the vessel cer-  
3           tifies to the Secretary that the vessel has made  
4           not less than three direct deliveries in that cal-  
5           endar year of whole tuna to processors on  
6           American Samoa for processing in American  
7           Samoa.

8           “(B) Any vessel that is—

9           “(i) United States-documented pursu-  
10          ant to section 12103 of title 46, United  
11          States Code;

12          “(ii) authorized to fish for tuna under  
13          the United States South Pacific Tuna  
14          Treaty; and

15          “(iii) delivers tuna to another vessel  
16          or other location for the purposes of trans-  
17          shipment,

18          shall be subject to a fee of 6.25 percent per  
19          metric ton per each such delivery, regardless of  
20          the date payment is received for the delivery.  
21          This fee shall be payable to the United States  
22          Treasury and shall be due no later than 30  
23          days after the date of delivery.

24          “(3) CREATION OF THE AMERICAN SAMOA ECO-  
25          NOMIC DEVELOPMENT TRUST FUND.—

1           “(A) There is created within the Treasury  
2 of the United States a trust fund to be known  
3 as the ‘American Samoa Economic Develop-  
4 ment Trust Fund’ (in this subsection referred  
5 to as the ‘Trust Fund’), consisting of such  
6 amounts as may be credited or appropriated to  
7 the Trust Fund under this subsection or any  
8 other provision of law.

9           “(B) There is hereby appropriated to the  
10 Trust Fund amounts equivalent to the amounts  
11 received in the Treasury pursuant to subpara-  
12 graphs (A) and (B) of paragraph (2).

13           “(C) The Trust Fund shall be adminis-  
14 tered by the Office of Insular Affairs of the De-  
15 partment of Interior. The Office of Insular Af-  
16 fairs shall pay monies from the Trust Fund to  
17 carry out the purposes of paragraph (1)(A) of  
18 this subsection. The Office of Insular Affairs  
19 may use any excess amounts to provide finan-  
20 cial assistance to the territory of American  
21 Samoa in accordance with any of the Office’s  
22 existing or future programs.

23           “(4) RULEMAKING.—Not later than 180 days  
24 after the date of the enactment of this Act but prior  
25 to May 1, 2010, whichever comes first, the Secretary

1 shall prescribe such regulations and other guidance  
2 as may be necessary or appropriate to carry out the  
3 provisions of this subsection. Such regulations shall  
4 provide that the Technical Assistance Division of the  
5 Office of Insular Affairs shall be responsible for ad-  
6 ministering the provisions of this subsection and  
7 may not delegate its duties with regard to this sub-  
8 section to any person or entity outside the Depart-  
9 ment of the Interior.

10 “(5) AUTHORIZATIONS AND APPROPRIA-  
11 TIONS.—

12 “(A) There is hereby authorized and ap-  
13 propriated to the Secretary of the Interior  
14 \$25,000,000 for fiscal year 2010 to carry out  
15 the purposes of paragraph (1)(A). Further,  
16 there is hereby authorized such annual sums as  
17 may be necessary to carry out the purposes of  
18 paragraph (1)(A) in fiscal years after 2010.  
19 Sums appropriated pursuant to this subpara-  
20 graph (A) shall remain available until expended,  
21 and shall not be available for administration of  
22 this subsection by the Department of the Inte-  
23 rior.

24 “(B) There is authorized to be appro-  
25 priated to the Secretary \$300,000 for the Sala-

1           ries and Expenses account of the Office of In-  
2           sular Affairs to carry out the duties of the Of-  
3           fice of Insular Affairs under this subsection,  
4           which amount shall remain available until ex-  
5           pended and shall be in addition to any other  
6           amount appropriated to the Secretary for the  
7           Office of Insular Affairs.

8           “(6) DEFINITIONS.—As used in the subsection—

9                   “(A) DIRECT DELIVERY.—The term ‘direct  
10           delivery’ means whole tuna caught by and  
11           moved from a fishing vessel that meets the cri-  
12           teria in clause (ii) or (iii) of paragraph (1)(A)  
13           directly to a processing facility located in Amer-  
14           ican Samoa, for preparation for end-user con-  
15           sumption in the United States and its terri-  
16           tories, which shall include placing the product  
17           in consumer-ready packaging. ‘Direct delivery’  
18           excludes the delivery of frozen tuna loins.

19                   “(B) TRANSSHIPMENT.—The term ‘trans-  
20           shipment’ means unloading any or all of the  
21           fish on board a fishing vessel onto another ves-  
22           sel or entity for the purpose of transporting  
23           that fish to another location for processing.”.

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